

193

*Proceedings of the Madras Government, Revenue Department,
20th March 1871.*

No. 265. Read the following Proceedings of the Board of Revenue, dated 15th February 1871, No. 708:—

Read the following letter from the Superintendent of Stamps, to the Acting Secretary to the Board of Revenue, dated Madras, 6th January 1871, No. 17.

I HAVE the honour to forward, for the information and orders of the Board of Revenue, the accompanying letter (to be returned) from the Chairman of the Chamber of Commerce, suggesting a modification of the provision in the General Stamp Act by which the stamp chargeable on Bills of Exchange drawn or made out in British India, is required to be impressed or denoted by the Superintendent of Stamps, in accordance with such rules as may be prescribed by the Governor-General of India in Council in this behalf.

2. I take this opportunity of submitting copy of a similar application previously received by me from Messrs. Arbuthnot and Co. of Madras, and of my reply thereto.

3. The option allowed to the public of having special adhesive stamps affixed by the Superintendent of Stamps to the documents specified in Clause *b.* of Section 5, is not largely availed of, in consequence probably of the notifications* of the Government of India on the subject not having been re-published here and not being generally known. In the cases, however, in which the special mode of stamping is sought for, the parties have no cause to complain of delay, the documents being stamped and returned immediately on receipt.

4. I find that the original Stamp Bill contemplated the payment, by adhesive stamps, of the duty chargeable on all Bills of Exchange, whether drawn in or out of British India, but that the provision was afterwards modified in Committee, because such extended use of adhesive stamps had been represented to be not desired by the mercantile community, which regarded the then existing mode of stamping as on the whole more conducive to general convenience. The use of adhesive labels therefore was restricted by the amended bill which eventually passed into law to those instruments to which they might be applied under the previously existing law and practice, "as it was obviously inexpedient that the "revenue should incur the risk of loss from the greater evasion of duty which "necessarily attached to the extended use of adhesive stamps."

ENCLOSURE No. 1.

From the Chairman of the Chamber of Commerce, to the Superintendent of Stamps, Madras, dated 22nd December 1870.

In order to obviate the delay and inconvenience resulting from the system now in force of sending forms of Bills of Exchange to the Stamp Office to have the requisite stamp impressed upon

Handwritten notes and signatures on the left page, including "1371", "20", "25 2/3 Rd", and various initials and signatures.

*Proceedings of the Madras Government, Revenue Department,
20th March 1871.*

them, but a small modification of the Stamp Act of 1869 is necessary, and I am desired to solicit you to obtain the requisite sanction for the sale (as is permitted by the law in England) of adhesive stamps for use on bills drawn on foreign countries only. As these bills almost invariably pass through the hands of European firms, there is virtually no probability of any loss of revenue to Government, as might possibly result were the modification suggested made applicable also to local bills.

ENCLOSURE No. 2.

From Messrs. ARBUTHNOT and Co., to the Superintendent of Stamps, Madras, dated 12th December 1870.

It would be a very great convenience if, in place of the present system of sending forms of Bills of Exchange to have stamps impressed upon them in your office, your department would recognize and sanction the use of adhesive stamps on Bills of Exchange. It often happens that bills for large sums are asked for on *mail days*, and that we have not got forms ready stamped to the exact value, and the delay caused by sending forms to be stamped at your office is often detrimental, and always inconvenient. If the use of adhesive stamps were permitted, we would merely have to keep a supply in hand, and affix them as required. In this there could not be any loss to Government, but rather the reverse—the tendency at present is to avoid getting forms stamped in *anticipation*, especially for large sums, as the form may be accidentally spoiled or damaged before it is required; but with adhesive stamps, a large stock could always be kept on hand by the banker, or merchant, for use as occasion arises. As adhesive stamps are already used for foreign bills payable in India, there cannot, as it seems to us, be any practical difficulty in the way of making their use general.

2. We may add that the present stamp, in addition to the inconveniences we have mentioned, generally occasions a further annoyance by defacing some portion of the wording of the bill. It is much too large for ordinary mercantile cheques and bill forms, and we have seen forms rendered useless by the process of stamping.

Recommending the above remarks to your kind consideration, we have, etc.

From the Superintendent of Stamps, to Messrs. ARBUTHNOT and Co., Madras, dated 13th December 1870, No. 3,190.

In acknowledging the receipt of your letter of yesterday's date, I have the honour to request your attention to Clause b., Section 5 of the General Stamp Act XVIII. of 1869, from which you will perceive that, as the law at present stands, the use, in the manner suggested by you, of adhesive stamps for Bills of Exchange drawn in British India cannot be permitted.

2. At the same time, the Act does not require the use exclusively of impressed stamps, and accordingly under the latter part of the clause above referred to, and the notification of the Government of India, published at page 89 of the *Fort Saint George Gazette*, dated 25th January 1870, the Superintendent of Stamps is at liberty, at the option of the parties, to affix, and is now affixing, adhesive stamps not only to Bills of Exchange drawn in British India, but to all instruments chargeable under the Act, except those specially mentioned in Clause a. of Section 5, as those to which the parties affected may themselves affix adhesive labels. This special mode of stamping has been sanctioned expressly to meet the convenience of the mercantile community at the Presidency towns.

The Board resolve to submit the application referred to in this letter for the consideration of Government.

2. The Chamber of Commerce complain that the practice of sending Bills of Exchange to the Stamp Office to be impressed with the proper stamp causes serious

*Proceedings of the Madras Government, Revenue Department,
20th March 1871.*

delay. On the other hand they may get the forms stamped with special adhesive stamps, and in this case the delay must be trifling.

3. The Board are informed that the question of allowing general adhesive stamps for Bills of Exchange was thoroughly discussed by the Legislative Council, and they are not of opinion that sufficient cause has been shown for altering the law.

No. 266.

ORDER THEREON, 20th March 1871, No. 488.

Separate Revenue, No. 12.

Stamps.

THE Government observe that the orders of the Supreme Government, dated 13th and 19th January and 23rd March 1870, permitting the use of

special adhesive stamps in the case of all instruments mentioned in Clause b., Section 5, Act 18 of 1869, which the Superintendent of Stamps supposes were not re-published here, were in fact published in the *Fort Saint George Gazettes* of 25th January, 1st February, and 2nd April 1870, respectively, and as it is evident from the difference between the provisions in the Draft Bill and in the Act as passed, as well as from the recorded debates, that the extended use of adhesive stamps now desired by the Madras Chamber of Commerce was deliberately rejected as not desired by the general mercantile community, and as involving risk to the public revenue, the Government are not prepared to advocate any modification of the existing system.

2. The papers will, however, be forwarded for the information of the Supreme Government. The Superintendent of Stamps will inform all houses of business in Madras by circular memorandum of the facilities afforded by the Governor-General's order for stamping Bills of Exchange, etc., by means of special adhesive stamps.

3. Ordered that the following letter be despatched:—

To the Secretary to the Government of India, Financial Department.

(Here enter No. 489, dated 20th March 1871.)

(True Extract.)

(Signed)

W. HUDLESTON,

Secretary to Government.

To the Board of Revenue.

Exd. E. C. Shunker.

*Proceedings of the Madras Government, Revenue Department,
20th March 1871.*

them, but a small modification of the Stamp Act of 1869 is necessary, and I am desired to solicit you to obtain the requisite sanction for the sale (as is permitted by the law in England) of adhesive stamps for use on bills drawn on foreign countries only. As these bills almost invariably pass through the hands of European firms, there is virtually no probability of any loss of revenue to Government, as might possibly result were the modification suggested made applicable also to local bills.

ENCLOSURE No. 2.

From Messrs. ARBUTHNOT and Co., to the Superintendent of Stamps, Madras, dated 12th December 1870.

It would be a very great convenience if, in place of the present system of sending forms of Bills of Exchange to have stamps impressed upon them in your office, your department would recognize and sanction the use of adhesive stamps on Bills of Exchange. It often happens that bills for large sums are asked for on *mail days*, and that we have not got forms ready stamped to the exact value, and the delay caused by sending forms to be stamped at your office is often detrimental, and always inconvenient. If the use of adhesive stamps were permitted, we would merely have to keep a supply in hand, and affix them as required. In this there could not be any loss to Government, but rather the reverse—the tendency at present is to avoid getting forms stamped in *anticipation*, especially for large sums, as the form may be accidentally spoiled or damaged before it is required; but with adhesive stamps, a large stock could always be kept on hand by the banker, or merchant, for use as occasion arises. As adhesive stamps are already used for foreign bills payable in India, there cannot, as it seems to us, be any practical difficulty in the way of making their use general.

2. We may add that the present stamp, in addition to the inconveniences we have mentioned, generally occasions a further annoyance by defacing some portion of the wording of the bill. It is much too large for ordinary mercantile cheques and bill forms, and we have seen forms rendered useless by the process of stamping.

Recommending the above remarks to your kind consideration, we have, etc.

From the Superintendent of Stamps, to Messrs. ARBUTHNOT and Co., Madras, dated 13th December 1870, No. 3,190.

In acknowledging the receipt of your letter of yesterday's date, I have the honour to request your attention to Clause b., Section 5 of the General Stamp Act XVIII. of 1869, from which you will perceive that, as the law at present stands, the use, in the manner suggested by you, of adhesive stamps for Bills of Exchange drawn in British India cannot be permitted.

2. At the same time, the Act does not require the use exclusively of impressed stamps, and accordingly under the latter part of the clause above referred to, and the notification of the Government of India, published at page 89 of the *Fort Saint George Gazette*, dated 25th January 1870, the Superintendent of Stamps is at liberty, at the option of the parties, to affix, and is now affixing, adhesive stamps not only to Bills of Exchange drawn in British India, but to all instruments chargeable under the Act, except those specially mentioned in Clause a. of Section 5, as those to which the parties affected may themselves affix adhesive labels. This special mode of stamping has been sanctioned expressly to meet the convenience of the mercantile community at the Presidency towns.

The Board resolve to submit the application referred to in this letter for the consideration of Government.

2. The Chamber of Commerce complain that the practice of sending Bills of Exchange to the Stamp Office to be impressed with the proper stamp causes serious

*Proceedings of the Madras Government, Revenue Department,
20th March 1871.*

delay. On the other hand they may get the forms stamped with special adhesive stamps, and in this case the delay must be trifling.

3. The Board are informed that the question of allowing general adhesive stamps for Bills of Exchange was thoroughly discussed by the Legislative Council, and they are not of opinion that sufficient cause has been shown for altering the law.

No. 266.

ORDER THEREON, 20th March 1871, No. 488.

Separate Revenue, No. 12.

Stamps.

THE Government observe that the orders of the Supreme Government, dated 13th and 19th January and 23rd March 1870, permitting the use of

special adhesive stamps in the case of all instruments mentioned in Clause b., Section 5, Act 18 of 1869, which the Superintendent of Stamps supposes were not re-published here, were in fact published in the *Fort Saint George Gazettes* of 25th January, 1st February, and 2nd April 1870, respectively, and as it is evident from the difference between the provisions in the Draft Bill and in the Act as passed, as well as from the recorded debates, that the extended use of adhesive stamps now desired by the Madras Chamber of Commerce was deliberately rejected as not desired by the general mercantile community, and as involving risk to the public revenue, the Government are not prepared to advocate any modification of the existing system.

2. The papers will, however, be forwarded for the information of the Supreme Government. The Superintendent of Stamps will inform all houses of business in Madras by circular memorandum of the facilities afforded by the Governor-General's order for stamping Bills of Exchange, etc., by means of special adhesive stamps.

3. Ordered that the following letter be despatched:—

To the Secretary to the Government of India, Financial Department.

(Here enter No. 489, dated 20th March 1871.)

(True Extract.)

(Signed)

W. HUDLESTON,

Secretary to Government.

To the Board of Revenue.

Exd. E. C. Shunker.

Revenue Department

W 488

Proceedings of the Madras Govt

Under date the 20th March 1891

Read the following

Pro. of the Board of Revenue

Submg. letter addressed to
Supt. of Stamps by Chairman
Chamber of Commerce, suggesting
modification of a provision in
General Stamp Act, which
requires stamp chargeable on
Bills of Exchange drawn in
British India, to be imprinted
or denoted by Supt. of Stamps.

H. E. 15 Febry 1891 No 708

The Govt observe that
the orders of the Supreme
Govt dated 13th and 19th Janry
and 23rd March 1890 per-
mitting the use of special
adhesive stamps in the
case of all instruments
mentioned

mentioned in clause b, Sec. 5,
Act 18 of 1869 which the Supt.
of Stamps supposes were not
re-published here, were in
fact published in the Fort
St. George Gazette of 25th Jan'y.
1st Feby. and 2nd April 1870
respectively; and as it is
evident from the difference
between the provisions in
the draft bill and in the
Act as passed, as well as
from the recorded debates,
that the extended use of
adhesive stamps now de-
sired by the Madras Cham-
ber of Commerce was
deliberately rejected as
not desired by the general
mercantile

mercantile community
and as involving risk to
the public revenue, the
Govt. are not prepared to
indulge any modification
of the existing system.

2. The papers will
however be forwarded
for the information of the
Supreme Govt. - The
Supt. of Stamps will
inform all houses of
business in Madras by
Circular Memo. of the
facilities afforded by the
Governor General's order
for stamping Bills
of Exchange, &c. by
means of Special

adhesive

adhesive stamps

2. Ordered that the
following letter be dispatched

To

The Secy. to Govt. of India

Manual Dept

(Spec. Sub)

LA

14 Feb 1900 Rev. Dept 221

40
10

Concated with a
letter to the man
attached with the
letter stamped with
April 1900

No. 265 + 266

Exd. E. C. Shunker.